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ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

November 4, 2002

RECORDATION NO. 23416-M FILED

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

NOV 04 '02 3-55 PM

SURFACE TRANSPORTATION BOARD

Dear Ms. Farr:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Chattel Mortgage and Security Agreement Modification Agreement, dated as of November 1, 2002, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Chattel Mortgage and Security Agreement which was previously filed with the Board under Recordation Number 23416.

The names and addresses of the parties to the enclosed document are:

Secured Party: Allfirst Bank
25 South Charles Street
Baltimore Maryland 21202

Debtor: Midwest Railcar Corporation
9876 213th Avenue, N.W.
Elk River, Minnesota 55330

A description of the railroad equipment covered by the enclosed document is:

Twenty-one (21) boxcars within the series DCFX 660002 through DCFX 660079 not inclusive, as set forth on Exhibit A to the document filed.

Mr. Vernon A. Williams
November 4, 2002
Page 2

A short summary of the document to appear in the index is:

Memorandum of Chattel Mortgage and Security Agreement Modification Agreement.

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read "Alvord", written in a cursive style.

Robert W. Alvord

RWA/anm
Enclosures

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SURFACE TRANSPORTATION BOARD

**MEMORANDUM OF
CHATTEL MORTGAGE AND SECURITY AGREEMENT
MODIFICATION AGREEMENT**

dated as of November 1, 2002

by and between

**MIDWEST RAILCAR CORPORATION,
as Debtor**

and

**ALLFIRST BANK,
as Secured Party**

**MEMORANDUM OF CHATTEL MORTGAGE AND SECURITY AGREEMENT
MODIFICATION AGREEMENT**

THIS MEMORANDUM OF CHATTEL MORTGAGE AND SECURITY AGREEMENT MODIFICATION AGREEMENT (this "Agreement") is made as of this 1st day of November, 2002, by and between ALLFIRST BANK (the "Secured Party") and MIDWEST RAILCAR CORPORATION, an Illinois corporation (the "Debtor"), witnesseth:

RECITALS

A. The Debtor and the Secured Party are parties to that certain Loan Agreement dated as of March 20, 2001, as amended by the Loan Agreement and Chattel Mortgage and Security Agreement Modification Agreement dated as of April 12, 2002 (collectively, the "Loan Agreement"), pursuant to which the Secured Party agreed to extend to the Debtor a line of credit described in the Loan Agreement.

B. To secure the Debtor's Obligations (as defined in the Loan Agreement) to the Secured Party, the Debtor executed and delivered to the Secured Party a Chattel Mortgage and Security Agreement dated as of March 20, 2001 (as amended from time to time, the "Security Agreement"), pursuant to which the Debtor granted to the Secured Party a continuing, first priority security interest in and to, and lien on, certain railcars.

C. A Memorandum of Chattel Mortgage and Security Agreement (the "Memorandum of Security Agreement") was filed and recorded with the Surface Transportation Board pursuant to 49 U.S.C. 11301(a) on March 21, 2001 at 11:42 A.M., under Recordation No. 23416.

D. The Debtor subsequently purchased twenty-one (21) woodchip gondolas (collectively, the "Railcars") described on Exhibit A attached hereto.

E. The Secured Party and the Debtor executed a Chattel Mortgage and Security Agreement Modification Agreement dated as of the date hereof pursuant to which the parties amended Schedule 1 to the Security Agreement by adding the cars marks and numbers of the Railcars to the collateral listed therein.

F. The Secured Party and the Debtor desire to amend certain provisions of the Memorandum of Security Agreement.

TERMS

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Secured Party and the Debtor hereby agree as follows:

1. The facts set forth above are true and accurate in each respect.

2. The Memorandum of Security Agreement is hereby amended as follows: Exhibit A attached to the Memorandum of Security Agreement is amended by adding the car marks and numbers of the Railcars.

3. The term "this Memorandum" as used in the Memorandum of Security Agreement shall mean the Memorandum of Security Agreement as modified herein unless the context clearly indicates or dictates a contrary meaning.

4. This Agreement may not be amended, changed, modified, altered, or terminated without in each instance the prior written consent of the Secured Party. This Agreement shall be construed in accordance with and governed by the laws of the State of Maryland.

5. This Agreement may be executed in any number of counterparts, all of which when taken together shall constitute one agreement

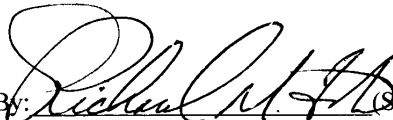
[SIGNATURES APPEAR OF NEXT PAGE]

IN WITNESS WHEREOF, the Secured Party and the Debtor have caused this Agreement to be executed under seal as of the date first above written.

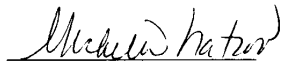
WITNESS:

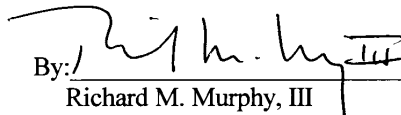
ALLFIRST BANK



By:  (SEAL)
Richard M. Folio
Vice President

MIDWEST RAILCAR CORPORATION




By:  (SEAL)
Richard M. Murphy, III
President

STATE OF Maryland, CITY OF Baltimore, TO WIT:

On this 29th day of October, 2002 before me personally appeared Richard M. Folio, to me personally known, who being by me duly sworn, says that he is the Vice President of ALLFIRST BANK, that seal affixed to the foregoing instrument is the seal of said association, that said instrument was signed and sealed on behalf of said association, by authority of its Board of Directors, and that he acknowledged that the execution of the foregoing instruments was the free act and deed of said association.

IN WITNESS WHEREOF I have set my hand and seal.

(SEAL) HENRYKA W. GRYC CRAIG
NOTARY PUBLIC STATE OF MARYLAND
County of Baltimore
My Commission Expires September 20, 2005

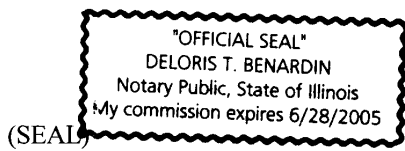

Notary Public

My Commission Expires:

STATE OF Illinois, CITY/COUNTY OF Madison, TO WIT:

On this 24 day of October, 2002, before me personally appeared Richard M. Murphy, III, to me personally known, who being by me duly sworn, says that he is the President of MIDWEST RAILCAR CORPORATION, an Illinois corporation, that seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation, by authority of its Board of Directors, and that he acknowledged that the execution of the foregoing instruments was the free act and deed of said corporation.

IN WITNESS WHEREOF I have set my hand and seal.



Deloris T. Benardin
Notary Public

My Commission Expires:

EXHIBIT A

DESCRIPTION OF RAILCARS

Twenty-one (21) 6,600 c.f. woodchip gondolas built in 1976 bearing the following car marks and numbers:

DCFX 660002
DCFX 660003
DCFX 660005
DCFX 660012
DCFX 660017
DCFX 660019
DCFX 660022
DCFX 660025
DCFX 660026
DCFX 660033
DCFX 660038
DCFX 660042
DCFX 660046
DCFX 660055
DCFX 660059
DCFX 660060
DCFX 660064
DCFX 660067
DCFX 660074
DCFX 660076
DCFX 660079